According to information available with Department of Programme Implementation, as on 31.12.1996 there were 8 projects under implementation, costing Rs. SO crores and above in the State of Karnataka/passing through the State of Karnataka and were scheduled to be completed during the Eighth Five Year Plan. Out of these 8 projects, 3 projects are expected to be completed by the end of Eighth Five Year Plan (31.3.1997) and remaining 5 projects would spill over into the Ninth Plan.

(b) The cost overrun and the anticipated date of completion of 8 projects are given in Statement-I *(See* below).

(c) The projects face various types of problems resulting in time and cost overruns. The list of main factors resulting in time and cost overrun is given in enclosed Statement-Il. Development Administration (UK). The project proposal was subsequently revised by the State Govemment to cover 32 Class-I towns of the State. ODA has suggested for taking up a pilot project in half-a-dozen towns, whereas Govemment of India wants ODA to cover 32 Class-I towns simultaneously.

Delay in completion of projects in Karnataka

645. K. RAHMAN KHAN: Will the Minister of PLANNING & PROGRAMME IMPLEMENTATION be pleased to state:

(a) the projects costing over Rs. 50 crores taken up in Karnataka during Eighth Five Year Plan which were to be completed during the Eighth Plan period itself but have not been completed so far;

(b) what is the cost overrun of each of such projects and by when they are to be completed; and

(c) the reasons for the delay in executing those projects?

THE MINISTER OF STATE OF THE MINISTRY OF PLANNING & PROGRAMME IMPLEMENTATION (SHRI YOGENDER K. ALAGH): (a)

Statement-I

List of projects in the State of Karnataka/passing through Karnataka as on 31.12.1996

Sector/project	Date of Commissioning original/Anticipated	Cost (Rs. in crores) Original/Anticipated	Revised	% of cost overrun Original/ Revised
Power				
1. Kaiga Atomic Power Karwar, (NPC)	1295	11/98	2275.00	2275.00	0
Railway				
2. Kuppam-White Field (Doubling)	296	3-99	108.11	105.01	2
3. Hospet-Hubli-Goa (Gauge Conversion)	1295	297	408.50	526.52	28
4. Arsikere-Hassan-Manglore (Gauge Conversion)	396	399	136.16	219.63	17
S. Ycllahanka Bangarpet (Gauge Coversion)	1295	297	25.83	57.89	- 123
6. Yeswantpur-Salem (Gauge Conversion)	297	397	159.30	194.98	22
7. Konkan Railway (New Line)	1094	497	1784.00	2230.42	25

Sector/project	Date of Commissioning		Cost (Rs. in crorcs)		% of cost Original/Anticipated overrun c
	Anticipated		Revised		Original/ Revised
Surface Transport					
3. Crude & Pol for MRPL Manglore (Ports)	12/96	*997*	238.14	238.14	0

Statement-II

List of main factors resulting in time and cost overrun

The various causes for delay in the completion of projects, identified by the DPI, as a result of monitoring and analysis of the reports received from project authorities can be summed up as follows:

I. Delay in land acquisition.

II. Delay in obtaining forest/ environment clearance and lack of supporting infrastructure facilities.

III. Delay in tic up of adequate funds and sources of funds (Budgetary internal resources, extra budgetary and external aid).

IV. Delay in finalisation of detailed engineering, release of drawings and delay in availability of fronts.

V. Changes in scope.

VI. Delay in tendering, ordering and equipment supply.

VII. Industrial relations and law and order problems.

VIll. Delay and uncertainty in feed stock supply.

IX. Pre-commissioning teething troubles.

X. Technology problems.

XI. Geoloeica! surprises.

The following arc major causes of Cost escalation:

I. Changes in rates of foreign exchange and statutory duties

II. Higher cost of environmental safeguards and rehabilitation measures.

III. Higher cost of land acquisition.

IV. Change in the scope of project.

V. Higher prices being quoted by the bidders in certain areas.

VI. Under estimation of original cost and

VII. Genera) price rise.

Allocations to States for the coining plan

646. SHRI JAGIR SINGH DARD: DR. SHRIKANT RAMCHANDRA JICHKAR:

Will the Minister of PLANNING AND PROGRAMME IMPLEMENTATION be pleased to state:

(a) what arc the plan targets and , allocations for the States for the coming ' Plan;

(b) what difficulties and problems did the Planning Commission come across during discussions with States; and

(c) what steps would be taken to overcome these problems?

THE MINISTER OF STATE FOR PLANNING AND PROGRAMME IMPLEMENTATION (SHRI YOGENDER K. ALAGH): (a) A statement indicating the Approved